

# **WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD**

## **Board Retreat Agenda Best Western Lighthouse Suites Inn North Conference Room – 3<sup>rd</sup> Floor**

**August 4-5, 2004**

### August 4, 2004

9:30 – 10:00 a.m.	Welcome and Goal Setting	David Harrison
10:00 – 11:30 a.m.	The State of Our Union: Progress to Date on Key Goals	Bryan Wilson
11:30 – 12:00 p.m.	Quick Update on Key Initiatives	Ellen O'Brien Saunders Pam Lund
	<ul style="list-style-type: none"><li>• Dropout Prevention and Retrieval</li><li>• Customized Training Advocacy</li><li>• Workforce Strategies 2004</li><li>• Workforce Development Council Certification</li></ul>	
12:00 – 1:00 p.m.	Lunch	
1:00 – 4:30 p.m.	Workforce Needs and Opportunities: Success in the '05 Session	David Harrison

The entire afternoon will focus on the '05 legislative session and will include discussion of: 1) our goals in strengthening the non-baccalaureate segment of the workforce training system, 2) the tools we have at our disposal, and 3) the legislative environment, including issues of concern to the Board members, and strategies for success. It will include Board action on the agency biennial budget request and approval of a joint resolution for the legislature to approve HSHW 2004. Specifically, the Board will discuss:

What do Board members anticipate in the legislative environment for 2005?

- Round robin discussion of the anticipated legislative atmosphere, the focus of policymakers on workforce education and training issues, and ways to increase that focus.

What are the key legislative issues ahead for the Board members and their agencies and constituencies?

- Round robin discussion by Board members of anticipated issues (policy or budget).

*Note: Workforce Board's interests: (1) legislative approval of "High Skills, High Wages 2004" and (2) budget enhancements to strengthen industry skill panels and incumbent worker training. (Note: Tab 1 includes the budget piece and a resolution for Board action.)*

Given these priorities, how can we make our collective legislative relations activities even more successful? How can our constituencies be engaged and involved? How can our communications strategies be more closely aligned?

**Action** on Board's biennial budget submission to OFM, including enhancement, and resolution to adopt *High Skills, High Wages 2004*.

4:30 – 5:00 p.m.	Summary of the Day	David Harrison/All
5:00 p.m.	Adjourn	
6:00 – 9:00 p.m.	Dinner in South Conference Room	All

#### August 5, 2004

7:00 – 8:30 a.m.	Breakfast	All
8:30 – 8:45 a.m.	Reconvene	David Harrison

Review Yesterday: Any Overnight Thoughts?

9:00 – 10:30 a.m.	System Integration: How can we do better? Are we forever a 2.9?	David Harrison
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Board discussion on how we can do better at "creating a system out of the many different programs."

*Annually, we ask practitioners and volunteers for their assessment, and our numbers have not shown much improvement. Indeed, we appear to be stuck. How can we move these numbers in the right direction? What actions could the Board and its members take—together or separately—to have an impact on people's perceptions that the separately established and governed programs are making progress toward working together seamlessly?*

10:00 – 10:15 a.m.	Break	
10:30 – 12:00 p.m.	How are We Doing as a Board?	David Harrison
	The Board will take an opportunity to reflect on how things are going with a focus on Board meeting quality and effectiveness, Board member engagement and satisfaction, and partnership building.	
12:00 – 1:00 p.m.	Lunch	All
1:00 p.m.	Adjourn	

# **TAB 1**

**WASHINGTON STATE  
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD  
BOARD RETREAT  
AUGUST 4-5, 2004**

**2005-2007 BIENNIAL BUDGET PROPOSAL**

**Background**

Washington's state agencies are required under RCW 43.88 to develop a strategic approach to the budgeting process, including the identification of goals, objectives, strategies, and performance measures. At the March Board meeting, the agency's 2005-2007 Strategic Plan was adopted and subsequently submitted to the Office of Financial Management (OFM) on May 3, 2004. That submittal acknowledged that an amended strategic plan would be needed, containing revised strategies based on completion of work on *High Skills, High Wages: Washington's Strategic Plan for Workforce Development*. This amended agency strategic plan will be provided to OFM together with budgetary information and other required inclusions on September 1, 2004. Development of the strategic plan and the identified resources were guided by the Governor's Priorities of Government (POG) approach.

The agency is not requesting any additional funding to carry out its core functions and activities. We intend to implement most of the strategies identified in the strategic plan with existing resources. As a result, the 2005-2007 most of budget reflects maintenance level funding at \$57 million (\$53.8 million in GF-Federal; \$3.3 million in GF-State). However, the agency has identified expanded development and support for industry skill panels as necessary for the well-being of the state's economy. Skill panels stimulate the connection between economic and workforce development. Current funding is dependent on competitive needs of federal resources that will continue to erode. Additionally, stabilization of existing panels and anticipated training needs for incumbent workers and other customized training further the demand for resources to continue this strategy. To ameliorate this situation, the agency is recommending a budget decision package for state funding of skill panels and subsequent training efforts. This package also addresses gaps identified in the POG process. We are calling this, "Economic Vitality: Key Industry Initiative."

This decision package will be discussed on August 4, 2004, as part of the Board's deliberation and adoption of the 2005-2007 biennial budget submittal. The amended agency strategic plan, the proposed 2005-2007 biennial budget and accompanying Agency Activity Inventory, and the budget decision package are contained in this tab.

Upon approval of the budget by the Board, these materials will be combined with other information in the required format with appropriate forms and necessary backup information and submitted to OFM.

**Board Action Required:** Adoption of the recommended motion.

## **RECOMMENDED MOTION**

**WHEREAS,** The Office of Financial Management requires all state agencies to submit 2005-2007 biennial budgets that include strategic plans and related budget information (OFM Operating Budget Instructions, Parts 1 and 2); and,

**WHEREAS,** The Workforce Board has identified its vision, mission, goals, objectives, strategies, and performance measures contained in the strategic plan; and,

**WHEREAS,** The Workforce Board has identified the necessary resources contained in its maintenance level of funding to address the activities and duties in the agency's 2005-2007 Strategic Plan; and,

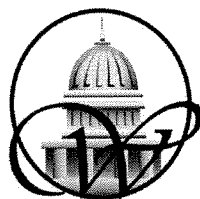
**WHEREAS,** The Workforce Board believes that enhanced funding for the Economic Vitality: Key Industry Initiative is both necessary and desired; and,

**WHEREAS,** The identified level of funding for the Economic Vitality: Key Industry Initiative is commensurate with the need, collaboration, and activities contained in the budget decision package.

**NOW, THEREFORE, BE IT RESOLVED,** That the Workforce Board approves the 2005-2007 Biennial Budget with additional information, analysis, and rationale to be developed as suggested by the Workforce Board and the resulting document placed in the required format and submitted to the Office of Financial Management.

Workforce Training and Education  
Coordinating Board

***STRATEGIC PLAN***  
***2005-2007***



Workforce Training and Education Coordinating Board  
128 10th Avenue SW  
PO Box 43105  
Olympia, WA 98504-3105  
(360) 753-5662  
FAX (360) 586-5862  
<http://www.wtb.wa.gov>  
Email: [wtecb@wtb.wa.gov](mailto:wtecb@wtb.wa.gov)

## **Our Vision**

Washington's Workforce Training and Education Coordinating Board is an active and effective partnership of labor, business, and government leaders guiding the best workforce development system in the world.

## **Our Mission**

We shape strategies to create and sustain a high skill, high wage economy.

To fulfill this Mission, the Board will:

- Advise the Governor, Legislature, and other policymakers on workforce development policy and innovative practice.
- Promote a seamless workforce development system that anticipates and meets the lifelong learning and employment needs of our current and future workforce.
- Advocate for the training and education needed for success in the 75-80 percent of jobs that do not require a baccalaureate degree.
- Ensure quality and accountability by evaluating results, and supporting high standards and continuous improvement.

S = Strategy to meet state statutory or Executive Order requirement.

F = Strategy to meet federal requirement.

H = Assigned in "High Skills, High Wages" 2004.



## **Our Goals**

### **System Building:**

We will achieve meaningful results in building a comprehensive, customer-friendly, and efficient workforce development system.

### **Partnership Building:**

We will achieve meaningful results in bringing together the public and private sectors, as well as state and local partners, to address our state's workforce development needs.

### **Advocacy/Awareness:**

We will spur personal commitment to lifelong learning and public recognition and investment by visible advocacy for a skilled workforce.

### **Policy Innovation:**

We will craft recommendations on innovations in workforce development policies and practices at state and federal levels and foster their implementation.

### **Customer Service:**

We will provide services, products, and information that are valued by our customers.

### **Internal Business Process:**

We will continuously improve the quality and efficiency of our organization.

### **Human Resources:**

We will develop and sustain a work environment that attracts, recognizes, retains, and develops our employees.

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## Goals, Objectives, and Strategies

### GOAL 1 – System Building

*We will achieve meaningful results in building a comprehensive, customer-friendly, and efficient workforce development system.*

**Outcome Measure:** Workforce system partners' assessment of progress in system building.

**Objective 1A.** Update and Implement *High Skills, High Wages: Washington's Strategic Plan for Workforce Development*.

	Strategies	05-06	06-07
1A-1	Update <i>High Skills, High Wages</i> . <b>S</b>	✓	
1A-2	Review operating agencies' plans for consistency with <i>High Skills, High Wages</i> . <b>S</b>	✓	
1A-3	Make recommendations on state operating agencies' budget and policy requests with regard to consistency with <i>High Skills, High Wages</i> . <b>S</b>	✓	✓
1A-4	Use federal funds to accomplish the goals of <i>High Skills, High Wages</i> . <b>F</b>	✓	✓
1A-5	Provide Annual Report to the Legislature on progress on <i>High Skills, High Wages</i> . <b>S</b>	✓	✓

**Objective 1B.** Maintain and improve performance management system for workforce development.

	Strategies	05-06	06-07
1B-1	Prepare and disseminate WIA Title 1B quarterly reports. <b>F</b>	✓	✓
1B-2	Prepare and disseminate WIA Title 1B annual report. <b>F</b>	✓	✓
1B-3	Prepare Carl Perkins annual report (performance section). <b>F</b>	✓	✓
1B-4	Compute, analyze and publish <i>Workforce Training Results 2006</i> . <b>S</b>		✓
1B-5	Negotiate Perkins performance levels with Department of Education. <b>F</b>	✓	✓
1B-6	Negotiate WIA Title 1 performance levels with Department of Labor. <b>F</b>	✓	✓
1B-7	Set policy for and manage the Eligible Training Provider List performance standards. <b>S, F</b>	✓	✓
1B-8	Measure and set targets for the results of the WorkSource system. <b>S</b>	✓	✓
1B-9	Update regression models that mathematically estimate the effect of economic and demographic changes on the program outcomes. <b>F</b>	✓	✓
1B-10	Determine WIA incentive allocations. <b>F</b>	✓	✓
1B-11	Measure <i>High Skills, High Wages</i> Performance Measures. <b>S</b>	✓	✓

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	<b>Strategies</b>	<b>05-06</b>	<b>06-07</b>
1B-12	Conduct special research projects.	✓	✓
1B-13	Incorporate additional programs into the performance management system. <b>S</b>	✓	
1B-14	Lead the national Integrated Performance Information project. <b>H</b>	✓	

**Objective 1C.** Facilitate career and educational pathways.

	<b>Strategies</b>	<b>05-06</b>	<b>06-07</b>
1C-1	Help to develop local community-school partnerships that plan and implement dropout prevention and retrieval initiatives for “at-risk” youth, including effective after school hours and summer programs. <b>H</b>	✓	✓
1C-2	Help ensure all youth are aware of the link between learning and employment, and their career options including high wage, high demand occupations, and non-traditional occupations. <b>H</b>	✓	✓
1C-3	Help to improve communication and collaboration among workforce development youth partners. <b>H</b>	✓	✓
1C-4	Develop and promote career guidance activities and programs to assist students to make informed career choices.	✓	✓
1C-5	Update and publish <i>Where Are You Going? A Guide to Careers and Occupations in Washington State</i> .	✓	✓
1C-6	Help to improve efficiency of student transitions by granting credit for prior learning, developing further statewide agreements for transfer and articulation, and increasing the availability of applied degrees. <b>S, H</b>	✓	✓
1C-7	Help to partner with industries to provide facilities, faculty, and equipment in high wage, high demand fields. <b>H</b>	✓	✓
1C-8	Promote the deployment of industry skill standards throughout education and industry.	✓	✓
1C-9	Help highlight and replicate best practices from around the state and nation in career and technical education. <b>H</b>	✓	✓
1C-10	Support the development of competency-based education and training programs, and modular curricula and assessments that are linked to industry skill standards. <b>H</b>	✓	✓
1C-11	Help to increase mentor and work-based learning opportunities for all students, and integrate these opportunities with students’ individual career plans. <b>H</b>	✓	✓

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1C-12	Support the expansion of apprenticeship training in emerging fields and expand preparation programs for apprenticeship in high demand clusters including construction. <b>S, H</b>	✓	✓
1C-13	Coordinate state's involvement in Career Clusters Initiative.	✓	✓
1C-14	Coordinate state's involvement in Workplace Readiness Credential project.	✓	✓
1C-15	Initiate and support outreach activities to veterans to smooth access to educational institutions and facilitate recognition of skills attained in the military.	✓	✓

**Objective 1D.** Support excellence in WorkSource Career Development Centers.

	<b>Strategies</b>	<b>05-06</b>	<b>06-07</b>
1D-1	Help to respond to the needs of business customers and implement coordinated strategies among WorkSource partners. <b>H</b>	✓	✓
1D-2	Help to improve customer service by collecting and using customer feedback, providing electronic services, and sharing information on customer service best practices. <b>H</b>	✓	✓
1D-3	Help to enhance the statewide information system (SKIES) for case management that is shared by WorkSource partners. <b>H</b>	✓	✓
1D-4	Help to maintain and continue to develop systems to track and report core WorkSource services. <b>H</b>	✓	✓
1D-5	Help to find financial resources to sustain the WorkSource delivery system infrastructure. <b>H</b>	✓	✓
1D-6	Help to provide individuals with disabilities with equal opportunities to benefit from WorkSource services. <b>H</b>	✓	✓
1D-7	Help to continue outreach and capacity building activities with partners, including tribes and community-based organizations, to ensure involvement of targeted populations within the WorkSource system. <b>H</b>	✓	✓
1D-8	Encourage diversity among the membership of local Workforce Development Councils and WorkSource staff to reflect the diversity of our communities. <b>H</b>	✓	✓
1D-9	Encourage WorkSource Centers to expand services to key economic sectors in their communities.	✓	✓

**Objective 1E.** Maintain and disseminate information on workforce development programs.

	<b>Strategies</b>	<b>05-06</b>	<b>06-07</b>
1E-1	Maintain the <i>Workforce Development Directory</i> . <b>S</b>	✓	
1E-2	Promote and update <a href="http://www.jobtrainingresults.org">www.jobtrainingresults.org</a> . <b>S, F</b>	✓	✓
1E-3	Promote and update <a href="http://www.wtb.wa.gov/etp/">www.wtb.wa.gov/etp/</a> . <b>S, F</b>	✓	✓

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## GOAL 2 – Partnership Building

*We will achieve meaningful results in bringing together the public and private sectors, as well as state and local partners, to address our state's workforce development needs.*

**Outcome Measure:** Key workforce development system partners' assessment of effectiveness/contribution in partnering with them to meet local and state goals.

**Objective 2A.** Support business and labor leadership for the workforce development system.

	<b>Strategies</b>	<b>05-06</b>	<b>06-07</b>
2A-1	Enable statewide business and labor organizations' leadership for the workforce development system.	✓	✓
2A-2	Work with business, labor, and trade associations to help them meet their workforce needs.	✓	✓

**Objective 2B.** Provide state leadership and support to Workforce Development Councils and Chief Local Elected Officials.

	<b>Strategies</b>	<b>05-06</b>	<b>06-07</b>
2B-1	Assist Workforce Development Councils in updating their strategic plans in alignment with <i>High Skills, High Wages</i> . <b>S</b>		✓
2B-2	Assist Workforce Development Councils as they implement their local strategic plans.	✓	✓
2B-3	In collaboration with the Employment Security Department, provide assistance and resources for successful implementation of Workforce Investment Act amendments.	✓	✓
2B-4	Facilitate opportunities for meaningful Workforce Development Council and Local Elected Official engagement on workforce development issues with the Workforce Board and other state level agencies.	✓	✓
2B-5	Negotiate local performance targets for WIA Title 1B. <b>F</b>	✓	
2B-6	Negotiate local performance targets for WorkSource. <b>H</b>		✓
2B-7	Facilitate recertification of local councils. <b>F</b>	✓	
2B-8	In collaboration with the Employment Security Department, provide assistance and support to foster successful Workforce Development Council Youth Councils as they improve outcomes for at risk youth.	✓	✓
2B-9	Systematically identify and promote resources that can add value to state and local workforce system development efforts.	✓	✓
2B-10	Provide Workforce Development Councils with local area information from Workforce Board research.	✓	✓
2B-11	Encourage diversity among the membership of local Workforce Development Councils. <b>H</b>	✓	

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**Objective 2C.** Coordinate workforce development with economic development.

	<b>Strategies</b>	<b>05-06</b>	<b>06-07</b>
2C-1	Create and enhance industry skill panels, especially in high demand economic clusters such as health care and information technology. <b>H</b>	✓	✓
2C-2	Support targeting of workforce development in high demand economic clusters. <b>S, H</b>	✓	✓
2C-3	Increase publicly supported customized incumbent worker training, and provide incentives to both employers and employees for this type of training. <b>H</b>	✓	✓
2C-4	Help support the provision of high quality labor market information that enables programs to respond to changes in the labor market and informs students and customers about current career opportunities, especially in high demand clusters such as health care and information technology. <b>H</b>	✓	✓
2C-5	Support 12 health care skill panels through technical assistance, and aggregate field information for the Health Care Personnel Shortage Task Force.	✓	✓
2C-6	Explore continuing resources for skill panels from both public and private sources.	✓	✓

**Objective 2D.** Provide state leadership and support to private career schools.

	<b>Strategies</b>	<b>05-06</b>	<b>06-07</b>
2D-1	Administer the Private Career School Act in a manner that promotes private-public partnerships. <b>S</b>	✓	✓
2D-2	Engage the Private Vocational School Advisory Committee to ensure private career school involvement in the workforce development system. <b>S</b>	✓	✓

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### GOAL 3 – Advocacy/Awareness

*We will spur personal commitment to lifelong learning and public recognition and investment by visible advocacy for a skilled workforce.*

**Outcome Measure:** Increase the number of young people who enroll in postsecondary vocational-technical education programs.

**Objective 3A.** Increase public awareness regarding the benefits and initiatives of the workforce development system.

	Strategies	05-06	06-07
3A-1	Convene an interagency collaborative to market key workforce development messages.	✓	✓
3A-2	Update the Secondary Gap Analysis (Supply, Demand and Results) and promote its findings. S	✓	
3A-3	Update the Postsecondary Gap Analysis (Supply, Demand and Results) and promote its findings. S	✓	
3A-4	Help to expand partnerships with industries to market their career opportunities to youth and their parents. S, H	✓	✓
3A-5	Implement agency marketing plan to advocate for a skilled workforce. S	✓	✓
3A-6	Promote the benefits of career and technical education in helping young people meet higher standards and expectations in high school and in preparing them for careers and further education.	✓	✓
3A-7	Administer and promote the Washington Award for Vocational Excellence. S	✓	✓
3A-8	Conduct the employer survey and promote its findings. S	✓	
3A-9	Host conference for workforce development leaders to promote innovation and “best practices,” facilitate engagement in federal and state policy development, and foster partnerships.	✓	✓
3A-10	Continue to raise public awareness of the high school drop out rate, its consequences, and effective methods of reduction.	✓	✓

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## GOAL 4 – Policy Innovation

*We will craft recommendations on innovations in workforce development policies and practices at state and federal levels and foster their implementation.*

**Outcome Measure:** K-12 policies are adopted that promote career pathways for youth.

**Outcome Measure:** Number of students that complete postsecondary vocational-technical education programs.

**Objective 4A.** Develop recommendations and influence state and federal policies to advance the four goals in *High Skills, High Wages*.

	<b>Strategies</b>	<b>05-06</b>	<b>06-07</b>
4A-1	Develop and advocate policies that promote career pathways for youth. <b>S</b>	✓	✓
4A-2	Develop and advocate policies that reduce the gap in the supply of postsecondary vocational training, including new programs, increased student enrollments and worker retraining, especially in high demand clusters. <b>S, H</b>	✓	✓
4A-3	Develop and advocate policies to coordinate workforce and economic development initiatives and programs.	✓	✓
4A-4	Develop and advocate policies that serve incumbent and dislocated workers, including a coherent, flexible, and accessible dislocated worker strategy. <b>S, H</b>	✓	✓
4A-5	Develop and advocate policies for wage progression, including and especially programs with demonstrated success, increased training opportunities and financial incentives for training. <b>S, H</b>	✓	✓
4A-6	Continue developing accountability and program improvement mechanisms for increasing employment and earnings for target populations. <b>H</b>	✓	✓
4A-7	Develop and advocate policies that promote workforce system integration. <b>H</b>	✓	✓
4A-8	Join partner agencies in fulfilling the requirements of Senate Joint Memorial 8014 on employment and training services for disabled persons. <b>S</b>	✓	✓
4A-9	Convene work groups on emerging issues.	✓	✓
4A-10	Convene Health Care Personnel Shortage Task Force and report progress on implementing its plan, <i>Crisis or Opportunity?</i>	✓	✓
4A-11	Develop and advocate policies on emerging federal issues. <b>S</b>	✓	✓

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**Objective 4B.** Advise the Governor and Legislature on implementation of new federal workforce development policies.

	<b>Strategies</b>	<b>05-06</b>	<b>06-07</b>
4B-1	Advise the Governor and the Legislature on integrating the amendments to the reauthorized Workforce Investment Act into the state's workforce development system. <b>F, S</b>	✓	
4B-2	Advise the Governor and the Legislature on integrating the amendments to the reauthorized Carl Perkins Act into the state's workforce development system. <b>F, S</b>	✓	

## **GOAL 5 – Customer Service**

*We will provide services, products, and information that are valued by our customers.*

**Outcome Measure:** Results from customer satisfaction surveys.

**Objective 5A.** Understand customer requirements and expectations in order to improve products and services.

	<b>Strategies</b>	<b>05-06</b>	<b>06-07</b>
5A-1	Design and implement meaningful customer involvement and feedback in our processes.	✓	✓
5A-2	Make improvements in products and services as identified through customer feedback.	✓	✓
5A-3	Strengthen customer awareness and consumer protection activities in the Private Vocational Schools Act and Veterans' approval programs.	✓	✓

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## **GOAL 6 – Internal Business Process/Financial**

*We will continuously improve the quality and efficiency of our organization.*

**Outcome Measure:** Score on agency annual self-assessment.

**Objective 6A.** Improve categories on the agency self-assessment.

	<b>Strategies</b>	<b>05-06</b>	<b>06-07</b>
6A-1	Conduct annual agency self-assessment using Baldrige criteria and develop and implement improvement plan.	✓	✓
6A-2	Identify and implement opportunities for streamlining agency business processes.	✓	✓
6A-3	Regularly update Balanced Scorecard measures and review results.	✓	✓

**Objective 6B.** Align agency resources with priorities of the Board.

	<b>Strategies</b>	<b>05-06</b>	<b>06-07</b>
6B-1	Use the Workforce Board annual retreat to establish key annual priorities.	✓	✓
6B-2	Use Performance Agreements to identify individual work assignments, to recognize accomplishments, and to effect employee development.	✓	✓

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## GOAL 7 – Human Resources

*We will develop and sustain a work environment that attracts, recognizes, retains, and develops our employees.*

**Outcome Measure:** Score on annual employee survey.

**Objective 7A.** Ensure that staff have the information, training, and tools needed to do their jobs well and to develop their career potential.

	Strategies	05-06	06-07
7A-1	Identify opportunities to enhance staff professional development.	✓	✓
7A-2	Support annual All Staff Institute.	✓	✓

**Objective 7B.** Continue to improve employee satisfaction.

	Strategies	05-06	06-07
7B-1	Identify and act on opportunities to improve employee satisfaction.	✓	✓
7B-2	Communicate the provisions and impacts of Civil Service Reform.	✓	✓
7B-3	Ensure that the workplace environment is clean, safe, and efficient.	✓	✓

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**PROPOSED 2005-2007 BIENNIAL BUDGET**  
**STATE AND FEDERAL FUNDS AND ANNUAL FTEs**  
*(With 2003-2005 Biennial Budget Comparisons)*

<b>FY 2006</b>	<b>FY 05-07 GF-State</b>	<b>FY 03-05</b>	<b>FY 05-07 GF-Federal</b>	<b>FY 03-05</b>	<b>FY 05-07 GF-Other</b>	<b>FY 03-05</b>	<b>FY 05-07 Totals</b>	<b>FY 03-05 FTEs</b>	<b>FY 05-07 FTEs</b>	<b>FY 03-05 FTEs</b>
Workforce Policy	1,540,000	1,533,000	661,000	631,000	249,000	2,201,000	2,164,000	19.2	19.2	19.2
PVSA / TRTF	133,000	133,000	14,460,000	14,493,000		382,000	382,000	1.8	1.8	1.8
SBCTC			10,049,000	10,072,000		14,460,000	10,072,000			
OSPI			179,000	148,000		10,049,000	148,000			
Veterans						179,000		1.8	1.8	1.8
<b>Subtotal</b>	<b>1,673,000</b>	<b>1,666,000</b>	<b>25,349,000</b>	<b>25,344,000</b>	<b>249,000</b>	<b>27,271,000</b>	<b>27,259,000</b>	<b>22.8</b>	<b>22.8</b>	<b>22.8</b>
<b>FY 2007</b>										
Workforce Policy	1,499,000	1,504,000	676,000	648,000	249,000	2,175,000	2,152,000	19.2	19.2	19.2
PVSA / TRTF	133,000	133,000	16,280,000	16,297,000		382,000	383,000	1.8	1.8	1.8
SBCTC			11,323,000	11,335,000		16,280,000	16,297,000			
OSPI			179,000	179,000		11,323,000	11,335,000			
Veterans						179,000		1.8	1.8	1.8
<b>Subtotal</b>	<b>1,632,000</b>	<b>1,637,000</b>	<b>28,458,000</b>	<b>28,459,000</b>	<b>249,000</b>	<b>30,339,000</b>	<b>30,346,000</b>	<b>22.8</b>	<b>22.8</b>	<b>22.8</b>
<b>Total Maintenance Levels</b>	<b>3,305,000</b>	<b>3,303,000</b>	<b>53,807,000</b>	<b>53,803,000</b>	<b>498,000</b>	<b>57,610,000</b>	<b>57,605,000</b>	<b>22.8</b>	<b>22.8</b>	<b>22.8</b>
Proposed “Economic Vitality”	12,000,000					12,000,000				
<b>Grand Total</b>	<b>15,305,000</b>		<b>53,807,000</b>	<b>498,000</b>	<b>69,610,000</b>	<b>22.8</b>				

Workforce Training and Education Coordinating Board  
Agency Activity Inventory  
2005-07 Biennium

Activity Title	RPN	Description	Primary Results Area	Fund	Dollars	Annual FTEs	Performance Results
	110	The Workforce Training and Education Coordinating Board provides leadership, planning, coordination, evaluation and performance management, and policy development for the state's workforce development system, an annual \$1 billion enterprise. The system includes 18 major programs, including career and technical education at the secondary and postsecondary levels. The WTECB administers the federal career and technical education funds as part of the state's comprehensive plan. The WTECB provides advice and fiscal oversight for the Inland Northwest Technology Education Center (INTEC), a public-private partnership. The WTECB is the Workforce Investment Board required under the federal Workforce Investment Act.					
Performance Accountability	110	Evaluate the performance and accountability of Washington's major workforce programs	2	GF-S GF-F	268,000 181,000	2.7	Agency Performance Targets for RPN 110
Customer Involvement in Policy/Program Development	110	Involve all customers, especially business and labor in the policy and program development work required for Washington's workforce development system.	2	GF-S GF-F	2,425,000 210,000	3.8	Agency Performance Targets for RPN 110
Assess Workforce Needs of Employers & Workers	110	Provide information, reports, planning documents, and surveys that address the workforce needs of Washington's employers and workers and the economy.	2	GF-S GF-F	425,000 210,000	3.8	Agency Performance Targets for RPN 110
INTEC	110	Provides state funds for public – private partnerships through the Inland Northwest Technology Education Center.	2	GF-S	970,000		Agency Performance Targets for RPN 110
Consumer Protection	140	Provides licensing and consumer protection activities for Washington's private career schools & colleges.	2	GF-S	266,000	1.8	Agency Performance Targets for RPN 140
Skills Training at Secondary Schools & Skills Centers	130	Provide federal funds to Washington's schools/skills centers through OSPI. Provide required administrative oversight of the program.	2,1	GF-F GF-S GF-F	21,372,000 232,000 232,000	2.75	Improvements in System Performance Measures
Skills Training at Community/Technical Colleges	120	Provide federal and state funds to Washington's colleges through SBCTC. Provide required administrative oversight of the program.	2,3	GF-F GF-S GF-F	30,740,000 10, 232,000 232,000	2.75	Improvements in System Performance Measures

Workforce Training and Education Coordinating Board  
Agency Activity Inventory  
2005-07 Biennium

Activity Title	RPN	Description	Primary Results Area	Fund	Dollars	Annual FTEs	Performance Results
Skills Training for Veterans	400	Provide program approval for career and technical education programs so that veterans may receive their VA Educational Benefits from the U.S. Veterans Administration.	2	GF-F	358,000	1.8	Agency Performance Targets for RPN 400
Administration of Tuition Recovery Trust Fund	150	Administer a tuition guarantee fund for students enrolled in Washington's private career schools and colleges.		Other	498,000		Agency Performance Targets for RPN 150
Administration		Provide administrative overhead to the WTECB for all activities and programs..		GF-S GF-F	487,000 272,000	3.4	Agency Performance Targets for all Programs
Totals				GF-S GF-F Other	15,305,000 53,807,000 498,000	22.8	

The cost allocation basis for individual activities contained in the Activity Inventory is a combination of the number of FTEs and total dollars budgeted for each activity.

# Budget Decision Package

Economic Vitality:  
Key Industry Initiatives

# **Economic Vitality – An Effective Strategy to Meet the Dual Needs of Employers and Workers Through a Key Industry Cluster Strategy**

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# **Economic Vitality – An Effective Strategy to Meet the Dual Needs of Employers and Workers Through a Key Industry Cluster Strategy**

## **Introduction**

There is a compelling need from key industries to provide more funding to train new workers and upgrade the skills of current workers. Consulting the *2004 Employer Survey*, published by the Workforce Training and Education Coordinating Board (Workforce Board), forty-eight percent of employers reported that the skills required to adequately perform production or support jobs have increased over the last three years. The era where workers learn a skill and use it for life is gone. Today all jobs, including entry-level, require workers to be continuously honing their existing skills and learning new ones to keep the job they have. Technology in ALL key industries has driven this need for new and more advanced skills. If workers want to move up in their companies they need to significantly increase their skills to compete.

In order to respond to this demand by employers and workers, training providers must integrate employer needs into their training programs. Training providers must listen to what employers and workers need and change their course offerings and curriculum accordingly. This will give employers and workers more influence on the workforce development system, placing emphasis on what the private sectors need from the workforce. These changes and innovations then shift the emphasis to workforce training programs that have a proven track record.

This paper is a request for an additional \$12M from the Legislature in the next biennium to form 18–20 new skill panels and to train and upgrade the skills of 6,000–10,000 workers through the Job Skills Program (JSP) (*Attachment A*). The paper shows how existing successful strategies can be combined to create more synergy, a bigger bang for the buck, through public-private partnerships. To do this both the public and private sectors will need to design creative strategies to get more for less, and do it better. This request will serve as a springboard for growth in Washington State.

The proposal will increase the skills of Washington workers. Employers will have a larger and more qualified pool of applicants for vacancies. Public and private organizations working together will be in a better position to meet the goals and objectives set out by Governor Locke's initiatives, the Competitiveness Council, the Priorities of Government (POG) process, and *High Skills, High Wages: Washington's Strategic Plan for Workforce Development* more strategically. This initiative helps the state achieve the following goals, objectives, strategies and performance measures:

*Goal 1 – To close the gap between the need of employers for skilled workers and the supply of Washington residents prepared to meet that need.*

Objective 1.1 – Create public/private partnerships to enable individuals to move up job and career ladders throughout their lives.

Strategy 1.1.1 – Create and enhance industry skill panels, especially in high-demand economic clusters, such as health care and information technology.

*Goal 2 – To enable workers to make smooth transitions so that they, and their employers, may fully benefit from the new, changing economy, by putting in place a coherent strategy for dislocated and incumbent worker training.*

Objective 2.1 – Increase economic competitiveness and prevent dislocation by expanding customized incumbent worker training.

Strategy 2.1.1 – Increase publicly supported customized incumbent worker training, and provide incentives to both employers and employees for this type of training.

Objective 2.2 – Enhance business expansion and retention strategies.

## **Performance Measures**

### **Goal 1 - Key Performance Measures**

1. The number of community and technical college students, private career school students, and apprentices prepared for work compared to the number of net job openings for workers at that education level.
2. The number of industry skill panels that are established.

### **Goal 2 - Key Performance Measure**

1. The number of incumbent workers that receive publicly supported customized training linked to specific job needs of employers and the results of the training.

## **Employer Demand – How Do We Address Unmet Needs?**

In order for businesses to compete and be prosperous they must have businesses create jobs to be prosperous. We have, however, gone from a surplus of skilled workers to a shortage of skilled workers.

The Workforce Board's own *2004 Employer Survey*, conducted with the assistance of the Association of Washington Business, shows that employers are having difficulty finding qualified workers with postsecondary education and training, even during slow economic times. Forty-five percent of employers who attempted to hire someone in the previous 12 months reported difficulty finding qualified job applicants. While there were shortages at all postsecondary levels, the largest number of employers reported difficulty finding job applicants with a vocational certificate or associate degree. Twenty-one percent of employers (44,000 firms) had trouble finding applicants with job-specific skills; for example, they wanted to hire a registered nurse or a carpenter and could not find one. After job-specific skills, 20% of employers had difficulty finding job applicants with general workplace skills, including problem solving, communication skills, and positive work habits and attitudes.

Workforce development leaders in Washington recognize that programs can only be successful if they meet industry's needs. As a result, workforce leaders have collaborated to create and support industry skill panels, which are comprised of business, labor, and education representatives. Industry skill panels focus on existing and future workforce development needs in key industries. These panels provide a way of engaging employers' expertise to identify skill gaps and craft solutions to close the gaps.

### **How Does an Integrated Approach Create a Competitive Advantage for Business and Workers?**

Consumers continually demand more for their money. They want greater variety and better quality – and they do not want to wait. Costs rise for businesses as technology changes. When times get tough, pressures mount for businesses to reduce their spending for training and education. Businesses must do more with less, but economic downturns can spark innovative ways for businesses to partner with the public sector.

The Ford Foundation 2003 Report, *Working It Out – Can new alliances between job seekers and employers help bring prosperity for all?* makes a strong case for the partnership approach. As the report explains, “Traditionally, many Americans spend their whole working life with a single employer, where job security and on-the-job training let them move up the career ladder. But those days are gone, and employers, educators, and workers often struggle to find each other, interact in meaningful ways, and gather resources for training. In the past 10 years, a growing number of organizations around the United States have embraced new workforce development approaches that help employers, job seekers, and training providers find common ground and act upon shared interests.” Collectively, from a national perspective, these organizations have become known as workforce intermediaries, a name that reflects their role in bridging the gaps between the public and private sectors. In Washington State, we call them skill panels.

In skill panels, educators and businesses seek advice from each other in order to produce workers trained in the most current skills and who are ready to apply those skills quickly. Resources are leveraged, including training dollars, so more workers can benefit. By engaging business in partnerships, the public sector gains the advantage of knowing more intimately what is needed to meet real needs. Technology has forced virtually every job to change, and the skill panels help training providers to stay abreast of these changes.

The Manufacturing Institute/Center for Workforce Success, the National Association of Workforce Boards, and the Workforce Innovations Network released the first of a series of “how-to” guides in 2004 titled, *Filling America's Jobs: How To Turn Employer Into Partners*. This guide describes: Already, One-Stops and Workforce Investment Boards across the country are benefiting from partnerships with their area employers associations. Those alliances are demonstrating to local business communities the value of partnering with the public workforce system.” Following are some of the reasons employer associations reach out:

- Employer associations organize and support businesses workforce development needs and concerns.
- Employer associations serve incumbent and potential workers by forming or joining partnerships to provide workforce development services.

- Employer associations improve education and training services by helping make formal education and training both relevant and effective.
- Employer associations partner with workforce development systems by advocating workforce development policies and practices to meet employer needs.

Source: The Manufacturing Institute/Center for Workforce Success. *Filling America's Jobs: How To Turn Employers Into Partners*, 2004.

## **Making the Connections**

### **Background - The Competitiveness Council, the Economic Development Commission, and the Priorities of Government Process**

*Competitiveness Council:* Governor Gary Locke convened the Washington Competitiveness Council (Council) to facilitate a discussion of the issues affecting Washington's ability to compete in the global economy of the 21<sup>st</sup> century.

The four specific objectives of the Washington Competitiveness Council were to:

- Discuss key business climate issues.
- Improve public understanding of the importance of a healthy business climate to the future of Washington's economy.
- Engage the business community in advancing a competitiveness agenda.
- Identify and implement public policies that strengthen state and local governments' ability to respond to business community needs.

The Council identified competitiveness issues of greatest concern and developed recommendations to address them. One of the five issues identified in the Council's report was *Human Capital and Innovation*. Two findings were highlighted:

- Human capital and innovation are fundamental to gaining a competitive advantage in the modern economy. The success of companies, industries, and states increasingly depends on an educated flexible workforce, their access to new technology, and their ability to rapidly innovate.
- Strength in education, research and development, and technology commercialization is essential to cultivating and nurturing a growing, competitive economy. Other states and regions are investing massively in these areas, so Washington must act decisively or risk falling behind.

The Council recommended the identification of strategic industrial clusters and accelerated training of workers for high-demand fields as top priorities for immediate action.

*The Economic Development Commission:* Governor Locke and the Competitiveness Council formed the Task Force on Economic Development in 2002 to investigate the capabilities of the state's economic development infrastructure and develop recommendations on how it can be strengthened. Their report reinforces the recommendations of the Competitiveness Council.

- a. The Competitiveness Council recommended, “Washington should accelerate training of workers for high-demand fields. This requires not only training new workers, but also upgrading the skills of existing workers and retraining displaced workers so that they can reenter the workforce.” Information provided to the Task Force indicated that Washington ranks 47<sup>th</sup> in the country in workforce training funds (public dollars for customized training for specific employees). Training is cited as the issue of greatest importance to expanding and relocating companies across the country.

*POG:* In 2002 Governor Locke introduced POG – Priorities of Government. According to Mike Bernard, Board Chair for the Association for Washington Business, and a partner in the tax consulting firm of Madison Cooke in Bellevue, Washington - “POG stands for Priorities of Government/Price of Government. It’s a process legislators can use to help them make the tough choices. The two names of the POG process are important because it’s not just a matter of priorities; it’s a matter of price, as well. In fact, price is the starting point. The first thing legislators should determine is what the taxpayers can afford.” He continues to say, “There are an endless number of things government could do, but there is not an endless supply of money with which to do them. So, like families everywhere, legislators must sit down with their budget and figure out how to get the biggest bang for the buck. They will not be able to do everything, so they must balance priorities with price, and decide which are the most critical needs that can be addressed with the money at hand.”

Source: Washington Business Magazine, May/June 2004, *Price Matters When Considering Funding of Government Programs*.

The POG budget approach helps government focus on core services that contribute the most toward statewide results. There are 11 results areas that were identified through the POG process. The two results areas specific to workforce and economic development are: *Improve the Quality and Productivity of Washington’s Workforce*, and *Improve the Economic Vitality of Washington’s Businesses and Individuals*.

Results teams have recently completed work on the high-level purchase strategies that they believe will best achieve statewide results during the 2005-07 biennium. There are several assignments for the Workforce Board, the Employment Security Department (ESD), the State Board for Community and Technical Colleges (SBCTC), and the Department of Community, Trade, and Economic Development (CTED). The agencies are to work together to achieve the desired results. The issues listed below are to be worked on by ESD, SBCTC, and the Workforce Board:

- Career counseling at the secondary and postsecondary level.
- General workplace skills.
- Integration of adult literacy and occupational skills training.
- Occupational skills training for those with barriers to employment.
- Increase linkages to employers.
- Expanded training in high-demand fields demanded by employers.

CTED is tasked to “coordinate investments in planning, infrastructure, and workforce training for specific industries in local areas as they identify their key industry clusters.”

The proposal presented in this paper specifically targets two of the issues identified by the POG process for the 2005-07 biennium: increased linkages to employers and expanded training in high-demand fields. The proposal also addresses the need for the three workforce agencies and CTED to work together in advancing workforce and economic development.

### Are Strategies Aligned?

The state agencies and their local counterparts are already working to improve linkages with employers and to expand high demand training. The chart below shows the connections between skill panels, JSP and Centers of Excellence and the priorities that have been discussed in this paper. (*Attachment B*)

The chart below shows the connections between skill panels, JSP, and Centers of Excellence and the priorities that have been discussed in this paper.

The challenge now is to make this alignment more intentional. Skill panels because they represent business, education and labor; they can be a catalyst to build a more intentional alignment. By increasing the number of key industry skill panels there will be a higher probability of ensuring the goals of POG, the Competitiveness Council, the Economic Development Commission, and *High Skills, High Wages: Washington's Strategic Plan for Workforce Development* are met in a consistent way.

STATE INITIATIVES	Priorities of Government	Competitive -ness Council	Economic Dvlpmnt Commission	High Skills, High Wages			
LOCAL ORGANIZATIONS	Tied to State Strategic Plans				WDCs – WorkSource	Community Colleges	EDCs & Ports
Priorities							
Strategic Key Industries (Clusters)	X	X	X	X	X Skill Panels	X Centers of Excellence Skill Panels	X Job Skills Program
New and Incumbent Worker Training	X	X	X	X	X Skill Panels	X Job Skills Program	X Skilled workers attract new business
Accelerate Training in High Demand Fields	X	X	X	X	X Partnerships with community colleges	X Job Skills Program	X Skilled workers attract new business
Leveraged Investments	X	X	X	X	X Skill Panels	X Skill Panels Job Skills Program	X Job Skills Program
Recruitment and Retention	X	X	X	X	X Skill Panels	X Job Skills Program	X Job Skills Program

## Targeting Key Industries – What Washington Has Accomplished

### Research

What industries should the state target for workforce and economic development? In 2002, the Workforce Board and SBCTC commissioned a study of the key economic clusters in Washington. The study rated industry clusters by averaging their rankings across four criteria—employment size, employment growth, the location coefficient, and the percentage of workers receiving a living wage.<sup>1</sup> Workforce Board staff in 2004 analyzed the data further and produced the below rankings:

<b>Table A. Key Industries by Region</b>					
Spokane	Eastern Balance <sup>1</sup>	Pierce	King/ Snohomish	Southwest <sup>2</sup>	Northwest <sup>3</sup>
1. Health Care	1. Health Care	1. Health Care	1. Software	1. Construction	1. Construction
2. Construction	2. Education/ Social Services	2. Construction	2. Aircraft	2. Health Care	2. Health Care
3. Wholesale Trade	3. Transportation	3. Aircraft	3. Construction	3. Education/ Social Services	3. Transportation
4. Metal Fabrication	4. Wholesale Trade	4. Ship/Boat Building/ Repair	4. Business Services	4. Transportation	4. Education/ Social Services
5. Transportation	5. Agriculture. Food Processing	5. Wholesale Trade	5. Health Care	5. Communica- tions	5. Ship/Boat Building/Repair
6. Electronics Instruments	6. Wood Products	6. Education	6. Ship/Boat Building/ Repair	6. Wood Products	6. Wood Products
<sup>1</sup> Eastern Balance includes all counties in Eastern Washington other than Spokane.					
<sup>2</sup> Southwest includes Grays Harbor, Lewis, Mason, Pacific, Thurston, Clark, Cowlitz, Skamania and Wahkiakum counties.					
<sup>3</sup> Northwest includes Clallam, Jefferson, Kitsap, Island, San Juan, Skagit and Whatcom counties.					
Source: Sommers and Heg, 2002.					

In July 2004, CTED selected three primary targeted key industries - aerospace, agriculture and food processing, and wood products. In addition, they named four secondary key industries - construction, health care, information technology, and biotechnology.

<sup>1</sup> Paul Sommers and Deena Heg, "Occupational Demand and Supply by Industry Cluster and Region," a report prepared for SBCTC and the Workforce Board, Daniel J. Evans School of Public Affairs, University of Washington, October 2002.

## Investments in Key Industries

The state has begun investing in many clusters. The Workforce Board has established 28 skill panels that in different ways are sustaining their efforts. SBCTC created six "Centers of Excellence." These centers are colleges that industries rely on to understand their particular needs and interests, to solve their skill-related problems, to ensure a continuing flow of new entrants, and to provide a source of upgrading its existing workforce. ESD supported key clusters with customized training funds through Targeted Industry Partnerships (TIP) and the Industries of the Future Skills Training Projects (IFST). Table B summarizes these efforts across the state.

<b>Table B. Workforce Initiatives by Regional and Economic Cluster</b>					
<b>Workforce Board – Skill Panels</b>					
Spokane	Eastern Balance	Pierce	King/ Snohomish	Southwest	Northwest
1. Health Care	1. Health Care 2. Agriculture/ Food Processing 3. Wood Products	1. Health Care 2. Construction 3. Electronics 4. Information Technology	1. Software 2. Construction 3. Health Care 4. Information Technology	1. Health Care	1. Construction 2. Health Care 3. Manufacturing 4. Information Technology 5. Marine Services
<b>State Board for Community and Technical Colleges - Centers of Excellence</b>					
	1. Health Care Yakima Valley Community College  2. Agriculture Walla Walla Community College		1. Materials Technology in Manufacturing Edmonds Community College  2. Center for Manufacturing Excellence Shoreline Community College	1. Power Plant Operations And Generation Centralia Community College	1. Process Manufacturing Skagit Valley Community College
<b>Employment Security Department – Targeted Industry Partnerships</b>					
1. Health Care 2. Education	1. Health Care	1. Construction	1. Information Technology	1. Health Care	1. Manufacturing 2. Health Care
<b>Employment Security Department – Industries of the Future Skills Training Projects</b>					
1. Education 2. Healthcare 3. Building, Paving and Highway Construction	1. Ag and Food Processing 2. Industrial and Construction 3. Food Growers and Processors 4. Manufacturing	1. Healthcare	1. Wired and Wireless 2. Retail Services 3. Healthcare	1. Semi Conductor	1. Health Care



## The Unmet Demand

There are many key industries still needing development in specific regions and throughout the state. For example, in June 2004 Workforce Development Council (WDC) Directors identified some of the industries in their communities that are poised to develop skill panels.

<b>Table C. Potential New Skill Panels</b>					
Spokane	Eastern Balance	Pierce	King/ Snohomish	Southwest	Northwest
1. Construction 2. Information Technology 3. Education	1. Wine 2. Construction 3. Process Technology 4. Manufacturing	1. Financial and Business Services 5. Hospitality and Tourism	1. Aircraft 2. Financial and Business Services 3. Transportation 4. Biotechnology/Biomedical 5. Hospitality and Tourism 6. Homeland Security	1. Pulp and Paper 2. Metals 3. Process Technology	1. Construction 2. Agriculture and Food Processing 3. Ship/Boat Building/Repair

## Why More Funding Is Needed

The Workforce Board has worked to link economic development and workforce development by strategically investing in industry skill panels. Federal WIA funds (WIA Governor's 10 percent discretionary funds) are limited and currently support only eleven skill panels in eight regions. Employers participating on skill panels have succeeded in identifying skill needs for their industry and have worked with education partners to increase training capacity. This current federal funding source reaches far too few industries. Funds are needed to reach other industries that are critical to the state's economic vitality. Without a source of state funds, this technique for convening industry leaders will not reach scale and influence the state's economy.

The only state-funded program to defray the cost of upgrading occupational skills of current workers is JSP. The funding from JSP is far below what other states spend on incumbent worker training. Washington ranks 47<sup>th</sup> among the states in the last national survey. States have found that the availability of state funds for customized training is a critical tool for attracting and expanding businesses.

## Budget Enhancement For Workforce and Economic Development

The Workforce Board is requesting 12M over the next biennium to support an integrated approach to connect industry skill panels and JSP for key industries. The goal of the enhancement is to provide for 18–20 new skill panels and training for 6,000–10,000 workers (\$1,000 per trainee) for the biennium.

## **The Job Skills Program – Responsive Training For Economic Development**

The Washington State Legislature created Job Skills Program (JSP) in 1983. Program funding is subject to biennial appropriations by the Legislature. JSP supports three types of projects: (1) training new employees for facility openings and expansions; (2) retraining current employees to prevent worker dislocation and promote employer competitiveness; and (3) upgrade training of current workforce for promotional opportunities and creating vacant positions for new hires.

Projects are customized to meet employer's specific needs. Training is delivered on-site or in the classroom. Innovative approaches include coordinated training for industry consortia, knowledge transfers, and career ladders. Up to 50% of employer's training costs are covered by JSP matching grants. For every dollar of JSP funding invested, employers plan to match with \$2.34 (includes projects approved between July 1, 2003, and June 30, 2004).

Source: State Board for Community and Technical Colleges. *Job Skills Program: Responsive Training for Economic Development*, PowerPoint, 2004.

JSP projects approved for the 2003-2005 biennium through July 6, 2004, have included: construction, health care, transportation, wholesale trade, manufacturing to include marine/boat building, aerospace, semi-conductors, food processing, and value-added wood products. This represents 2,541 individuals involved in training during this time period.

### **Skill Panels**

Skill panels are business-led partnerships in industries vital to Washington State's economy. Skill panels have enabled businesses in key industries to work together with labor and training providers to identify their current and future skill needs and design innovative approaches to prepare workers for new skills and new jobs. They capture knowledge from industry experts and plan with industry leaders how that knowledge can be transferred into products, services, and delivery mechanisms, such as distance learning and on-site training. Some of the outcomes include the following:

- Strategic Planning and Industry Market Research
- Development Plans Resulting in Sustainable Funding
- Curriculum Development – New and Revised Specific to Industry Needs
- Skill Standards and Core Competency Publications
- Articulation Agreements – Pre and Postsecondary
- Marketing
- Skill Assessments
- Career Pathways and Internships
- Financial Aid, Tuition Reimbursement, and Tuition Advance Funds
- Site Capacity Expansion
- Evaluation and Measurement

Created by the 2000 Legislature from a proposal from Governor Locke, a \$600,000 investment in industry skill panels was made to pilot the concept. Since then, Governor Locke has earmarked Workforce Investment Act (WIA) statewide discretionary funds to skill panels.

Panels have been established in: biotechnology, construction, electronics, energy/power plant operations, food processing and agriculture, health care, information technology, retail services, and manufacturing to include: wood products, plastics, semi-conductor, aerospace, marine services, and materials technology.

Since 2000, the Workforce Board has provided funding to establish 28 skill panels. The private sector has shown commitment to skill panels by providing expertise and financial support. Many panels have also been successful in leveraging federal grants to implement their plans.

Skill panel members include: 330 businesses; 9 business/trade associations; 19 labor organizations; 46 community and technical colleges, and skill centers; 18 school districts; 18 universities; 11 independent universities, and 8 private vocational schools (see *Attachment C*).

## **State Board for Community and Technical Colleges – Workforce Development Programs**

### **Workforce Development Base Allocations**

Each college will receive a base allocation for high demand program improvement/expansion.

### **Workforce Development/Rural and Economically Impacted Community Development Projects**

Workforce Development/Rural and Economically Impacted Community Development funds are provided for the start-up or expansion of high demand programs linked to economic development. Projects respond to local economic development strategies, and include a plan for continuing programs developed with the funding.

### **Centers of Excellence**

Last year, six Centers of Excellence were created. This kind of specialization was strongly supported by business leaders across the state who participated in a series of 40 focus groups conducted by the State Board for Community and Technical Colleges (SBCTC) in partnership with the Association of Washington Business. When asked about the responsiveness of community and technical colleges to employer training needs, business leaders clearly articulated their belief that colleges need to have in-depth and specialized knowledge of the training needs of the key industries that drive their local economies. This same concept was endorsed by a research report prepared by the Community College Research Institute and Regional Technology Strategies for the SBCTC. This report indicated that community and technical colleges can best meet the needs of key industries or clusters at the regional level by developing in-depth and high-quality programs that meet the specialized training needs of those industries.

"Centers of Excellence" are broadly defined as places that industries can rely on to understand their particular needs and interests, to help solve their skill-related problems, to help ensure a continuing flow of new entrants, and to provide a source of upgrading its existing workforce. Centers are a "one-stop shop" for the firms that comprise a cluster, so that educators and trainers are able to more efficiently stay abreast of changes in technology and employment and develop special resources for employers.

### **Integrated Basic Skills and Workforce Development Projects**

Historically, most basic skills and workforce instruction has been offered sequentially with limited success for students who need both sets of skills. National and state research indicated that an integrated approach to instruction holds the strongest potential for success. Integrated basic skills and workforce education projects better serve adult learners who have expressed a commitment to work in an identified vocational field and have been assessed as meeting the federal criteria for receiving adult basic education (ABE) or English as a Second Language (ESL) instruction. Last year, five pilot projects began implementing integrated instruction using funds from the Workforce Education Council and the Council of Basic Skills.

### **Worker Retraining**

The community and technical colleges are poised to play a major role in Washington's economic recovery. Through regional collaboration and identification of key industries and clusters, colleges can ensure a program mix that strategically aligns with industry training needs, to create and sustain a regional competitive advantage. The Worker Retraining Program provides funding for training programs and related support services including financial aid, career advising, educational planning referral to training resources, job referral, and job development for dislocated and unemployed workers.

**SKILL PANEL MEMBERS**  
(as of July 2004)

**BUSINESS**

1. AAA Copiers and Supplies, Inc.
2. Absher Construction
3. Adrenium
4. Advanced Interactive Systems
5. Affiliated Health Services
6. Aging and Adult Care of Central Washington
7. Air Systems Engineering
8. Alpine Way
9. Amaze Entertainment
10. Amgen
11. AppTech, Inc.
12. Aquent
13. Arena.netA
14. Army Corps of Engineers
15. Asix, Inc.
16. Associated General Contractors
17. AT&T Wireless
18. Atari Humongous Entertainment Studio
19. B.F. Goodrich
20. Belmont Terrace
21. Benton-Franklin Community Health Department
22. Black Ship
23. Blue Mountain Action Council
24. Blue Mountain Medical Group
25. Bonneville Power Administration
26. BPO Cell Culture - Amgen
27. Brandrud Furniture, Inc.
28. Buena Vista Care Facility
29. Capital Medical Center
30. Carondelet Mental Health Services
31. Cascade Park Care Center
32. Cascade Valley Hospital
33. Cat Daddy Games
34. Central Washington Family Medicine
35. Central Washington Hospital
36. Chelan-Douglas Public Health District
37. Children's Hospital and Regional Medical Center
38. Choice Medical Network
39. City of Tacoma
40. Click Network
41. Colonial Vista
42. Coluee Community Hospital
43. Columbia Valley Community Health
44. Communication Workers of America

45. Community Choice Healthcare Network
46. Construction Industry Training Council
47. Coulee Community Hospital
48. Crane Aerospace
49. Cranky Pants Games
50. Cranky Pants-THQ
51. Crestwood Convalescent Center
52. Dayton Hospital
53. Deer Park Hospital
54. Doctor's Clinic
55. Dragonfly Ventures
56. Duvoisin & Associates
57. Dynacare Laboratories
58. East West Consulting
59. Eastern State Hospital
60. Electroimpact
61. Ellison Machinery NW
62. Empire Health Service
63. Encore NWL
64. Energy Facility Site Evaluation Council
65. Escape Factory
66. Evaluation Council Proposed Wallula Power Project
67. Extendicare
68. Extrude Hone Corporation Prometal Division
69. Family Health Center Dental Clinic
70. Family Home Care
71. Family Medical Center
72. Family Physicians Group
73. Ferry County Memorial Hospital
74. Fluke
75. Forks Community Hospital
76. FPL Energy
77. Frances Haddon Morgan Center
78. Franciscan Health System
79. Freightliner LLC
80. Game House
81. Garfield County Hospital
82. Genie Industries
83. GM Nameplate
84. Good Samaritan Community Healthcare
85. Goodwill Industries
86. Grays Harbor Community Hospital
87. Griptonite
88. Group Health Cooperative
89. Group Health Cooperative Everett
90. H.C. Franzheim and Associates
91. Hanford Environmental Health Foundation
92. Harbor House

93. Harborview Medical Center
94. Harrison Hospital
95. Highgate House
96. Highline Community Hospital
97. Holtzinger Fruit
98. Home Health
99. Human Resources Consulting
100. Indian Health Services
101. Information Systems Management Group
102. Inland Northwest Health Services
103. Inland Northwest Technology Education Center
104. Intel Corporation
105. Island Convalescent Center
106. Island Hospital
107. J. Grant Enterprise
108. Jefferson General Hospital
109. Jefferson Mental Health Services
110. Job Corps Nursing Program
111. Jones Consulting
112. Jorgensen Forge Corporation
113. Kadlec Medical Center
114. Kah Tai (Long-Term Care)
115. Kaiser Continuing Care Services
116. Kaiser Permanente
117. Kaiser Sunnyside Medical Center
118. Karen L. Michaelson and Associates
119. Kennewick General Hospital
120. Kenworth Trucking Company
121. Keyport Naval Undersea Workforce Center
122. Kitsap Dental Society
123. Kitsap Home Care Services
124. Kitsap Mental Health Services
125. Kittitas Valley Community Hospital
126. Klickitat Valley Hospital
127. KnowWonder
128. Labor Ready
129. LaClinica Health Network
130. Lake Chelan Community Hospital
131. Lakewood Automotive Repair
132. Legacy Health Systems
133. Liberty Shores
134. Lincoln Hospital
135. Lively and Partners Consulting Network, Inc.
136. Lourdes Health Network
137. Lourdes Medical Center
138. Lynwood Medical Centers
139. Madigan Army Medical Center
140. Madrona Medical

141. ManorCare Health Services
142. Manufacturing Technology Advisory Group
143. Mark Reed Hospital
144. Marquis Companies (Long-Term Care)
145. Martha and Mary Health Center
146. Mason General Hospital
147. Mattawa Community Medical Clinic
148. McChord Airforce Base
149. McKay Healthcare and Rehabilitation
150. Medtronic Physio Control
151. Memorial Hospital
152. Mesmer Animation Labs
153. Microsoft
154. Microvision, Inc.
155. Mid-Valley Hospital
156. Mikron Industries, Inc.
157. Milton Freewater Electric Department
158. MJ Connections
159. Monolith
160. Morton General Hospital
161. Moses Lake Community Health Center
162. Mt. Carmel Hospital
163. MultiCare Health System
164. Multnomah County Health Department
165. Navy Recruiting District
166. NE Washington Health Programs
167. NE Washington Medical Group
168. Newport Community Hospital
169. Nintendo Software Technology
170. North Coast Electric
171. North Valley Hospital Clinic
172. Northshore Group Health Medical Center
173. Northwest Medstar
174. Northwest Regional Training Center
175. Northwoods Lodge
176. Oberto Sausage Company
177. Odd Fellows Home
178. Odessa Memorial Hospital
179. Office of Senator Maria Cantwell
180. Office of Senator Patty Murray
181. Okanogan Regional Home Health and Hospice
182. Okanogan-Douglas County Hospital
183. Olympic Care and Rehabilitation Center
184. Olympic Health Care Alliance
185. Olympic Medical Center
186. Olympic Radiology
187. Orchard Point
188. Oregon Center for Nursing



189. Oregon Health and Sciences University Doernbecher Children's Hospital
190. Oregon Health and Sciences University Hospital
191. Oregon Health and Sciences University School of Nursing
192. Oregon Public Health Division
193. Ostrom Management Services
194. Othello Community Hospital
195. Outcast Studios
196. Overlake Hospital Medical Center
197. Paccar
198. Pacific Biotech Alliance
199. Pacific Northwest Regional Council of Carpenters
200. Pacific Power
201. Pacific Rim Industrial and Marine Energy
202. PacifiCorp
203. Park Manor Care Center
204. Partnership for Rural Improvement
205. Patterson Consulting Services
206. Peninsula Community Health Services
207. Peninsula Dental Society
208. Peninsula Mental Health
209. Philips Medical Systems Heartstream
210. Pierce County Apprenticeship Consortium
211. Pierce County Building and Trades Council
212. Pierce County Careers Connection
213. Pierce County Construction Partnership
214. Pinewood Terrace Nursing Home
215. PIP Printing
216. Port Angeles Care Center
217. Port of Chelan
218. Port of Tacoma
219. Port of Walla Walla
220. Portland Adventist Medical Center
221. Portland Veterans Affairs Medical Center
222. Prosser Memorial Hospital
223. Providence Centralia Hospital
224. Providence Health Care Systems
225. Providence Newberg Hospital
226. Providence Portland Medical Center
227. Providence Services Eastern Washington
228. Providence St. Peters Hospital
229. Providence St. Vincent Medical Center
230. Providence-Everett Medical Center
231. Puget Sound Center for Manufacturing Excellence
232. Quality Telecommunications Services
233. Qwest and Communications Workers of America
234. Rainier Vista Care Center
235. Regency at the Park
236. REI

- 237. Rick Yorkk
- 238. Ridgemont Terrace Convalescent Center
- 239. Rockwood Clinic
- 240. Rushforth Construction
- 241. Russell Investment Group
- 242. S&W Utility
- 243. Sacred Heart Medical Center
- 244. Sagem Morpho, Inc.
- 245. Salem Hospital
- 246. Samaritan Healthcare
- 247. Samaritan Hospital
- 248. Sea Mar Community Health Centers
- 249. Seattle Jobs Initiative
- 250. Seattle Scientific and Engineering Systems
- 251. Shriner's Hospital for Children
- 252. Skagit Valley Medical Center
- 253. Small Business Incubator
- 254. Sogeti
- 255. Sound Energy Systems
- 256. Sound Transit
- 257. Southwest Washington Electrical
- 258. Southwest Washington Medical Center
- 259. Spectrum Healthcare Resources
- 260. Spokane Area Chamber of Commerce
- 261. Spokane County Medical Society
- 262. Spokane Regional Chamber of Commerce
- 263. Spokane Regional Health District
- 264. St. Francis Extended Care Facility
- 265. St. John Medical Center/Peace Health
- 266. St. Joseph Hospital
- 267. St. Luke's Rehabilitation Institute
- 268. St. Mary Medical Center
- 269. Starbucks
- 270. Stevens Health Care
- 271. Stevens Hospital
- 272. Sun Healthcare Group, Inc
- 273. Sunbridge Care
- 274. Sunnyside Community Hospital
- 275. Surgery Center
- 276. Swedish Medical Center/Ballard Campus
- 277. Tacoma City Light
- 278. Tacoma Community House
- 279. Tacoma Housing Authority
- 280. Tacoma Lutheran Home and Retirement Community
- 281. Tacoma Plumbing and Heating, Inc.
- 282. Tacoma Power
- 283. Tacoma Technology Consortium
- 284. Tacoma-Pierce County Chamber of Commerce

- 285. Tacoma-Pierce County Economic Development Board
- 286. The Boeing Company
- 287. The Everett Clinic
- 288. The Heart Institute
- 289. Theresa Quezada, Consultant
- 290. Tri-Cities Cancer Center
- 291. Tri-Cities Laboratory
- 292. Tri-Cities Shared Services
- 293. Tri-City Radiology
- 294. Triple C Healthcare
- 295. Tri-State Hospital
- 296. Tuality Community Hospital
- 297. University Center at Everett Station
- 298. University of Washington Medical Center
- 299. VA Hospital
- 300. VA Puget Sound Health Care System
- 301. Valley General Hospital
- 302. Vancouver Clinic
- 303. Virginia Mason BI
- 304. Virginia Mason Medical Center
- 305. Visiting Nurse Services-NW
- 306. Walla Walla Clinic
- 307. Walla Walla General Hospital
- 308. Washington County Health Department
- 309. Washington Dental Service
- 310. Washington Manufacturing Services
- 311. Washington Software Alliance
- 312. Washington Veterans Home
- 313. Washington Women's Employment and Education
- 314. WashTech
- 315. Wenatchee Valley Medical Center
- 316. West End Outreach
- 317. West Sound Consortium
- 318. Western State Hospital
- 319. Western Washington Medical Group
- 320. Western Washington Sheet Metal Joint Apprenticeship Training Committee
- 321. Weyerhaeuser
- 322. Whidbey General Hospital
- 323. Willamette Falls Hospital
- 324. Willapa Harbor Hospital
- 325. Women in Construction
- 326. Women's Employment and Education
- 327. XYZ and You
- 328. Yakima Valley Farm Workers Clinic
- 329. Yakima Valley Memorial Hospital
- 330. Zombie Games

## **ASSOCIATIONS**

1. Association of Washington Business
2. Columbia Rural Electric Association, Inc.
3. Inland Empire Hospital Services Association
4. Partnership for Rural Improvement
5. Pierce County Master Builders Association
6. Washington Association of Community and Migrant Health Centers
7. Washington State Nurses Association
8. Washington Workforce Association
9. Washington Software and Digital Association (WSA)

## **LABOR**

1. Carpenter's Union
2. Construction Industry Training Council
3. CWA Local #37083
4. International Brotherhood of Electrical Workers/NECA
5. Laborer's International Union #614
6. Pierce County Apprenticeship Consortium
7. Pierce County Building and Construction Trades Council
8. PNW Regional Council of Carpenters Grays Harbor Central Labor Council
9. SE Washington Labor Council
10. Service Employees International Union
11. Southwest Washington Electrical JATC
12. Teamsters Local #556
13. UFCW 1001
14. UFCW 141 Nurses
15. UFCW Nurses Local
16. United Brotherhood of Carpenters
17. United Food and Commercial Workers International Union Local
18. United Staff Nurses Union Local
19. Washington State Apprenticeship Council

## **UNIVERSITIES**

1. Central Washington University
2. Eastern Washington University/Dental Hygiene
3. University of Phoenix-Online
4. University of Portland/School of Nursing
5. University of Washington
6. University of Washington/Bothell
7. University of Washington/Construction Department
8. University of Washington/Educational Outreach
9. University of Washington/School of Nursing
10. University of Washington/Tacoma
11. Washington State University
12. Washington State University/AHEC
13. Washington State University/Spokane
14. Washington State University/Spokane College of Pharmacy
15. Washington State University/Spokane School of Nursing
16. Washington State University/Stevens County Extension

17. Washington State University/Vancouver
18. Western Washington University

**PRIVATE UNIVERSITIES**

1. City University
2. Concordia University
3. DeVry University
4. DigiPen University
5. George Fox University
6. Heritage University
7. Linfield-Good Samaritan School of Nursing
8. Pacific Lutheran University
9. Seattle University
10. University of Puget Sound
11. Walla Walla College

**COMMUNITY-TECHNICAL COLLEGES AND SKILLS CENTERS**

1. Bates Technical College
2. Bellevue Community College
3. Bellingham Technical College
4. Big Bend Community College
5. Blue Mountain Community College
6. Cascadia College
7. Centralia College
8. Chemeketa Community College
9. Clackamas Community College
10. Clark College
11. Clover Park Technical College
12. Columbia Basin College
13. Columbia Gorge Community College
14. Community Colleges of Spokane
15. Edmonds Community College
16. Eton Technical College
17. Everett Community College
18. Grays Harbor College
19. Heritage College
20. Lake Washington Technical College
21. Lower Columbia College
22. Mt. Hood Community College
23. New Market Vocational Skills Center
24. North Idaho College
25. North Peninsula Skills Center
26. Olympic College
27. Peninsula College
28. Pierce College
29. Pierce College/Fort Steilacoom
30. Pierce College/Puyallup
31. Portland Community College
32. Renton Technical College

33. Seattle Community College District
34. Shoreline Community College
35. Skagit Valley College
36. Sno-Isle Skills Center
37. South Puget Sound Community College
38. Spokane Area Professional Technical Skills Center
39. Spokane Community College
40. Tacoma Community College
41. Tri-Tech Vocational Skills Center
42. Walla Walla Community College
43. Wenatchee Valley College
44. West Sound Technical Skills Center
45. Whatcom Community College
46. Yakima Valley Community College

#### **PRIVATE VOCATIONAL SCHOOLS**

1. DigiPen Institute of Technology
2. Heritage College
3. Intercollegiate Center for Nursing Education
4. Netdesk
5. North Idaho College
6. Perry Technical Institute
7. SQL Soft
8. Walla Walla College School of Nursing

#### **SCHOOL DISTRICTS**

1. Bethel School District
2. Bremerton School District
3. Central Valley School District
4. Kennewick School District
5. Kettle Falls School District
6. North Central Educational Service District
7. Pasco School District
8. Pomeroy School District
9. Puyallup School District
10. Richland School District
11. Seattle Public Schools
12. Sequim School District #323
13. Spokane School District
14. Tacoma Public Schools
15. Tacoma School District
16. University Place School District
17. Walla Walla School District
18. Yakima Schools Foundation